



ANNUAL DAIRY REVIEW

APRIL 2011

WELCOME to the second issue of the *Annual Dairy Review*! Let me begin by thanking all participants from the dairy industry for their continued support and cooperation – especially the producers who provide data for the quarterly *Milk Production* and monthly *Manufactured Dairy Products* surveys. Without their commitment and participation, this report would not be available.

This publication is a compilation of related reports issued by USDA's National Agricultural Statistics Service (NASS) in an effort to provide a complete source of statistics relevant to the dairy industry.

Though many of the statistics in this publication can be accessed through our website (www.nass.usda.gov/Publications), this Oklahoma Field Office summary will be issued annually following the release of the USDA-NASS *Milk Production, Disposition, and Income* annual summary, and the annual *Dairy Products* summary.

Please feel free to contact our office with any comments or questions you may have. I hope you find this information useful!

Wilbert Hundl, Jr., Director
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OKLAHOMA AND U.S. INVENTORY AND PRODUCTION

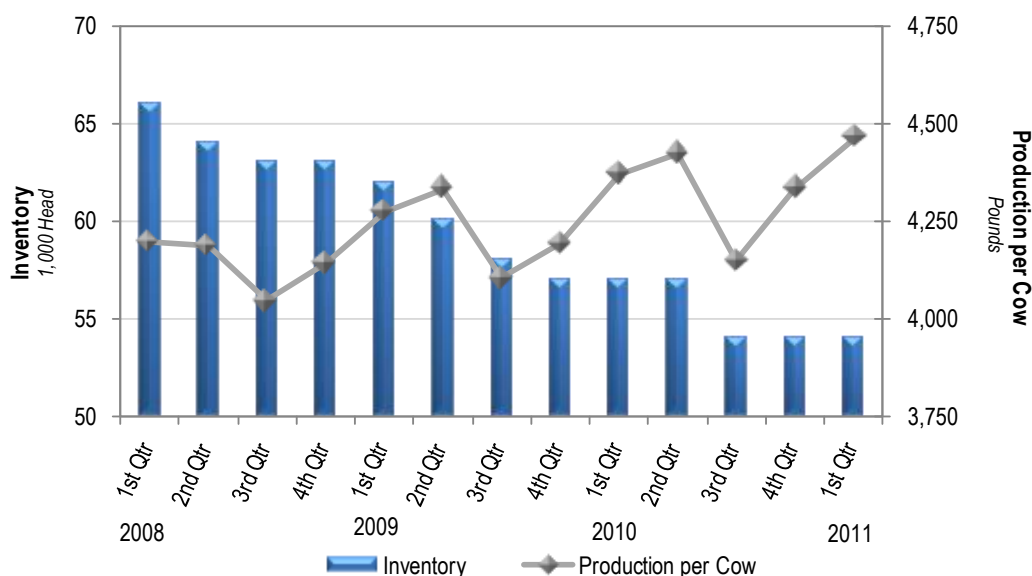
The January - March quarterly milk production in Oklahoma was 241 million pounds, down 3.2 percent from the same quarter last year, but up 3.0 percent from the previous quarter. **Oklahoma's milk cow inventory** for the quarter, at 54,000 head, was down 5.3 percent from the same quarter last year but unchanged from the previous quarter. Production per cow was 4,463 pounds for the quarter, up 2.2 percent from the same quarter last year and up 3.0 percent from the previous quarter.

Quarterly Milk Production, Oklahoma and United States, 2009-2011¹

Quarter	Oklahoma				United States			
	2009	2010	2011	Change From Previous Qtr	2009	2010	2011	Change From Previous Qtr
	Million Pounds			Percent	Million Pounds			Percent
Jan-Mar	265	249	241	3.0	47,374	47,392	48,432	1.9
Apr-Jun	260	252		1.2	48,888	49,809		5.1
Jul-Sep	238	224		-11.1	46,799	48,070		-3.5
Oct-Dec	239	234		4.5	46,273	47,548		-1.1

¹ Excludes milk sucked by calves.

Milk Cow Inventory and Production per cow, by Quarter, Oklahoma, 2008-2011



Source: USDA-NASS monthly *Milk Production* reports.

PRODUCTION, DISPOSITION, AND INCOME

Total milk production in Oklahoma decreased 4.3 percent in 2010 to 959 million pounds, compared to an increase of 1.8 percent for the United States to 192.8 billion pounds. Oklahoma's rate per cow, at 17,125 pounds, was 142 pounds above 2009, an increase of 0.8 percent, while the national rate per cow, at 21,149 pounds, was 576 pounds above 2009, an increase of 2.8 percent.

Cash receipts from marketings of milk during 2010 for Oklahoma totaled \$171 million, 18.1 percent higher than 2009 and \$31.4 billion for the United States, 28.9 percent higher. Producer returns in Oklahoma for 2010 averaged \$18.00 per hundredweight, 23.3 percent higher than 2009 while producer returns for the nation averaged \$16.35 per hundredweight, 26.5 percent above 2009.

Milk Production, Disposition, and Income, Oklahoma and United States, 2008-2010¹

Item	Unit	Oklahoma			United States		
		2008	2009 ²	2010	2008	2009 ²	2010
Number of Milk Cows ³	1,000 head	64	59	56	9,315	9,203	9,117
Production of Milk and Milkfat⁴							
Milk Per Cow	Pounds	16,578	16,983	17,125	20,395	20,573	21,149
Milkfat Per Cow	Pounds	597	615	623	751	755	774
Milkfat	Percent	3.60	3.62	3.64	3.68	3.67	3.66
Total Milk	Million Pounds	1,061	1,002	959	189,982	189,334	192,819
Total Milkfat	Million Pounds	38.2	36.3	34.9	6,998.1	6,949.0	7,052.4
Disposition:							
Milk Used Where Produced							
Fed to Calves ⁴	Million Pounds	10	9	8	942	899	883
Used for Milk, Cream and Butter	Million Pounds	1	1	1	124	112	108
Milk Marketed by Producers ⁵	Million Pounds	1,050	992	950	188,917	188,322	191,827
Income:							
Cash Receipts from Marketings	1,000 Dollars	212,100	144,832	171,000	34,849,113	24,338,642	31,361,181
Average Returns per Cwt ⁶	Dollars	20.20	14.60	18.00	18.45	12.93	16.35
Value of Milk Used for Milk and Cream	1,000 Dollars	202	146	180	23,743	15,295	18,538
Gross Producer Income ⁸	1,000 Dollars	212,302	144,978	171,180	34,872,856	24,353,937	31,379,719
Value of All Milk Produced ^{7,9}	1,000 Dollars	214,322	146,292	172,620	35,050,757	24,473,409	31,526,417

¹ May not add due to rounding.

² Revised.

³ Average number on farms during year, excluding heifers not yet fresh.

⁴ Excludes milk sucked by calves.

⁵ Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealer's own herds and milk sold directly to consumers. Also includes milk produced by institutional herds.

⁶ Cash receipts divided by milk or milkfat in combined marketings.

⁷ Value at average returns per 100 pounds of milk in combined marketings of milk and cream.

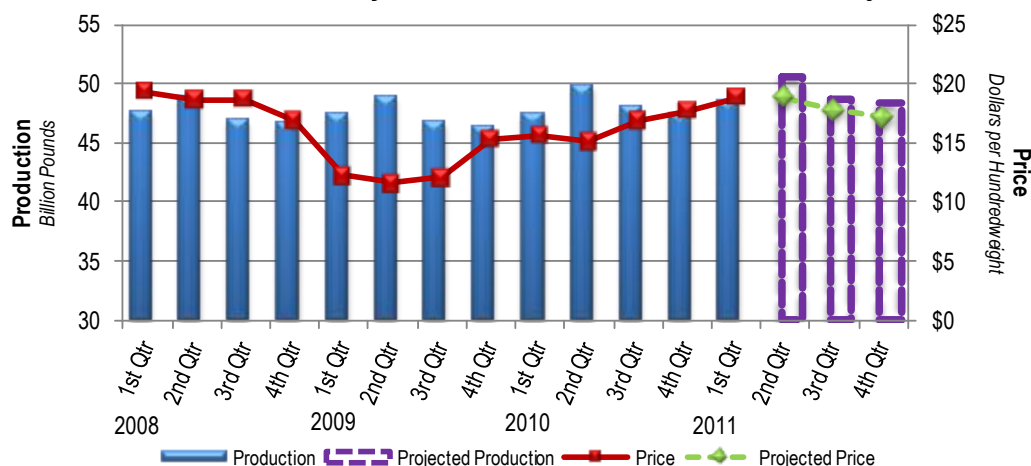
⁸ Cash receipts from marketings of milk and cream plus value of milk used for home consumption.

⁹ Includes value of milk fed to calves.

Source: USDA-NASS annual *Milk Production, Disposition, and Income* summary.

PRODUCTION AND PRICE OUTLOOK

Milk Production and Price, by Quarter, United States, 2008-2010, Projected 2011



Milk production for 2011 is predicted to be slightly above 2010 production. While milk cow inventory decreased again in 2010, production per cow continues to improve.

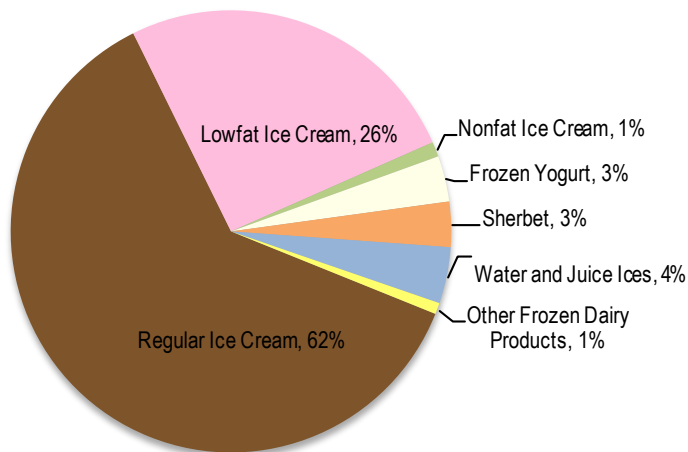
The average **milk price** for 2011 is forecast above 2010 levels, as a result of solid demand from domestic use and exports.

Source: USDA-WAOB monthly *World Agriculture Supply and Demand Estimates* report.

DAIRY PRODUCTS

Overall, the production of frozen dairy products has decreased slightly from 2009 to 2010. Regular ice cream is down 0.6% to 912 million gallons from 2009, low-fat ice cream is down 4.91% to 380 million gallons, and nonfat ice cream decreased 3.55% to 16.2 million gallons.

Frozen Dairy Products, United States, 2010



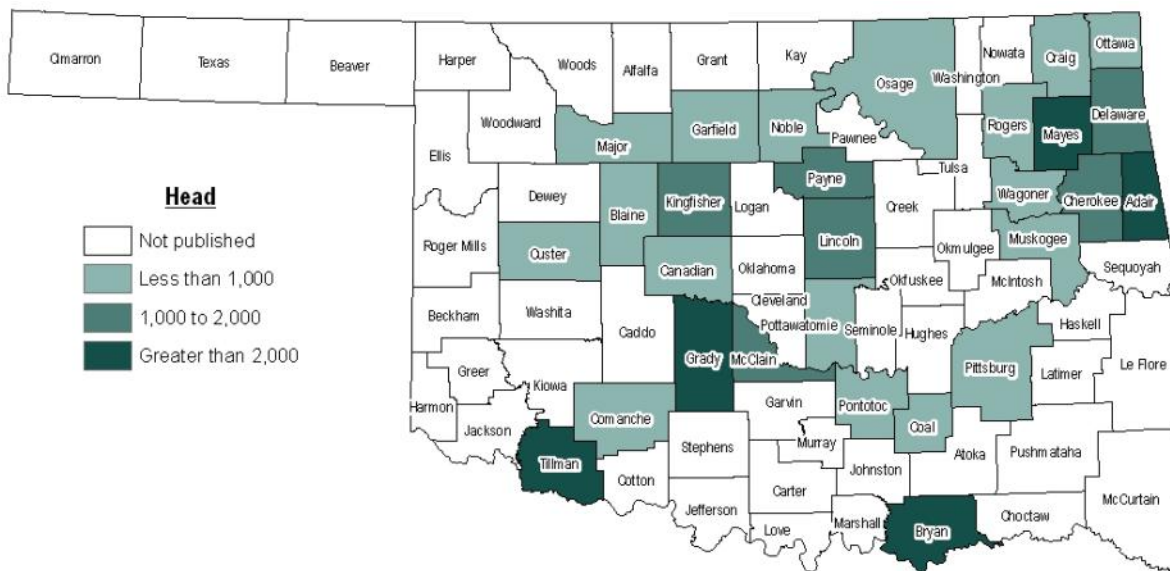
Frozen Dairy Products, Production, United States, 2009-2010

Product	2009	2010	Change From 2009 to 2010
	1,000 Gallons	1,000 Gallons	Percent
Regular Ice Cream	918,238	912,369	-0.64%
Lowfat Ice Cream	399,667	380,030	-4.91%
Nonfat Ice Cream	16,771	16,176	-3.55%
Frozen Yogurt	46,026	49,740	8.07%
Sherbet	53,277	49,272	-7.52%
Water and Juice Ices	60,130	61,228	1.83%
Other	15,255	12,254	-19.67%

Source: USDA-NASS annual Dairy Products summary.

MILK COW INVENTORY

Milk Cow Inventory, Oklahoma, January 1, 2011



Visit our website to view the Oklahoma Cattle County Estimates report, available at:

http://www.nass.usda.gov/Statistics_by_State/Oklahoma/Publications/County_Estimates/index.asp

Source: USDA-NASS Oklahoma annual Cattle and Calves County Estimates report.

To OKLAHOMA DAIRY PRODUCERS: "This report contains results collected from various dairy surveys. Your operation, large or small, represents Oklahoma agriculture . We appreciate your assistance in providing timely and accurate data for your industry. Thank you for your support."

~Wilbert C Hundl, Jr., Director
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INFORMATION IS POWER

Some of the resources for farmers and ranchers available on our Oklahoma website:

- Oklahoma Annual Statistics Bulletin
- Crop Progress and Conditions
- Livestock Reports
- Crop Reports

Find us on the web at: www.nass.usda.gov/ok

All reports referred to in this special dairy issue can be found at the USDA-NASS national website. To subscribe to electronic delivery of new reports, follow the links at:

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